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COVERT C.I.A. ROLE
AGAINST ALLENDE
DEFENDED BY FORD

Asserts Activities in Chile
Were 'in Best Interest'
of Chileans and U.S.

By SEYMOUR M. HERSH

Special to The New York Times

WASHINGTON, Sept. 16—President Ford strongly defended tonight the clandestine use of the Central Intelligence Agency to assist anti-Allende forces in Chile, but he denied that the United States Government had any involvement in the bloody coup there last year.

The President, in his news conference, contended that the C.I.A. activities were authorized because "there was an effort being made by the Government of Salvador Allende to destroy opposition news media and to destroy opposition political parties." He said this was something all governments did and he defended it in principle.

Earlier, The New York Times learned that the staff of a Senate Foreign Relations subcommittee had recommended that charges of contempt of Congress be placed against Richard Helms, former Director of Central Intelligence, and three retired Nixon Administration officials on the ground of misleading testimony on the clandestine activities in Chile.

'Certain Actions' Cited

Mr. Ford's statements on Chile were the first by a high Administration official since newspaper reports a week ago that the C.I.A. was authorized to spend more than \$8-million from 1970 to 1973 to make it impossible for President Salvador Allende Gossens of Chile to govern.

Asked about those reports, the President made what amounted to a broad defense of such clandestine operations. "Our Government, like other

governments, does take certain actions in the intelligence field to help implement foreign policy and protect national security," Mr. Ford said. [Question 7, Page 22.]

He added that he had been "reliably" informed that "Communist nations spend vastly more money than we do for the same kind of purpose."

The C.I.A. effort in Chile, the President said, "was made in this case to help and assist the preservation of opposition newspapers and electronic media and to preserve opposition political parties."

"I think this is in the best interests of the people in Chile and certainly in our best interest," he added.

Mr. Ford's account of the type and purpose of the intervention in Chile differed in part, at least, with that provided to Congress last April by William E. Colby, the present head of the C.I.A.

Mr. Colby testified that \$350,000 was authorized by the 40 Committee, the secret high-level intelligence review panel headed by Secretary of State Kissinger, to bribe members of the Chilean Parliament in late 1970, shortly before the Parliament ratified Mr. Allende's election.

The report by the staff of a Senate subcommittee report involved a different aspect of the dispute over Chile—allegations that high-ranking officials of the Nixon Administration deliberately misled the Senate.

The sources said that, besides Mr. Helms, the report cited Charles A. Meyer, former Assistant Secretary of State for Inter-American Affairs, Edward M. Korry, Ambassador to Chile from 1957 to 1971, and William V. Broe, former director of clandestine activities for the Central Intelligence Agency in Latin America.

Mr. Helms, Mr. Meyer and John M. Hennessy, former Assistant Secretary of the Treasury for International Affairs, the report said, might have committed perjury in testimony before the Subcommittee on

Multinational Corporations in the spring of 1973.

None of the men named in the subcommittee report could be reached immediately for comment.

In his news conference to-night, President Ford defended the Nixon Administration's decision to intervene clandestinely in 1970 in Chile, declaring that the newly elected Marxist Government there made an effort to destroy the opposition media and to destroy opposition political parties."

Such intervention was needed, Mr. Ford said, because the Communist nations spend vast amounts of money in similar activities.

The staff report, written by Jerome I. Levinson, chief counsel of the subcommittee, was prepared last week at the request of Senator Frank Church, Democrat of Idaho, who is chairman of the subcommittee. Details of Mr. Levinson's report, which was distributed to subcommittee members over the weekend, were provided to The New York Times by a Senator's office.

At issue is the discrepancy between the testimony presented to the subcommittee last year about the clandestine role of the C.I.A. in Chile and recent news reports indicating that the intelligence agency had been authorized to spend more than \$8-million from 1970 to 1973 in a covert attempt to make it impossible for the Chilean President, Salvador Allende Gossens, to govern.

In addition, sources said, the subcommittee staff report cited Mr. Hennessy's sworn testimony that the Nixon Administration's economic sanctions against Chile were based exclusively on lower credit rating after Dr. Allende's election. It was reported yesterday that Secretary of State Kissinger, then President Nixon's adviser for national security affairs, had personally headed an interagency panel that decided shortly after Dr. Allende's election in 1970 to attempt to cut off all economic

aid and international credits.

The allegations against the five Nixon Administration officials stem from their testimony into a reported attempt by officials of the International Telephone & Telegraph Company to seek to interfere in Chile's domestic politics.

Mr. Korry and Mr. Meyer both testified that the United States had continued its policy of nonintervention toward Chile after Dr. Allende's election. It was that testimony, sources said, that led to the staff recommendation that contempt and—in the case of Mr. Meyer—possible perjury charges be considered.

The testimony that led to the recommendation that Mr. Helms be charged with contempt and possibly perjury and Mr. Broe with contempt was apparently provided to the subcommittee at classified briefings, sources said.

Mr. Church, in an interview last week, said he had authorized a staff review to determine if the testimony should be turned over to the Justice Department for possible prosecution.

The Senate Foreign Relations Committee has scheduled a closed executive session tomorrow to discuss, among other matters, what to do about apparently misleading testimony provided to the Church subcommittee.

In an interview, Senator Clifford P. Case, Republican of New Jersey and a ranking majority member of the committee, declared, "There'll be a serious question as to what the committee ought to do."

Mr. Case refused to discuss specifically his personal reaction to the staff report.

"I certainly will press for appropriate action," he said. "No matter what, if a guy is caught lying to a Congressional hearing, there has to be some kind of action."

Other Foreign Relations Committee sources said, however, that it was unlikely that the full committee would immediately agree to press for contempt of Congress or perjury citations against the witnesses. Far more important, the sources said, will be an attempt to determine who in the Nixon Administration influenced the various officials, including Mr. Helms, to be less than candid before the Church subcommittee.

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